## RESPONSE TO THE OFFICE ACTION

1. Claims 3 and 7-9 were rejected under 35 USC 112, second paragraph as indefinite.

Claims 3 and 7-9 were cancelled. Applicant has made an effort to avoid the language and issues asserted to be indefinite in the amended and new claims.

2. Claims 1-13 have been rejected under 35 USC 102(e) as anticipated by Mir (US Patent No. 6,450,887).

As will be shown by the following detailed analysis, although Mir and the claimed invention relate to terminal-based wagering on pari-mutuel events, there is a fundamental difference in objectives, practice and function in Mir that avoids anticipation of the claimed subject matter. The basic objectives of Mir are cited in the following quoated portions, with **emphasis** added:

"In one aspect, the present invention is a gaming system which enables parimutuel wagering with <u>instant payoffs on actual past events</u>. In parimutuel wagering, the players are playing against each other, and the "house" or the establishment conducting the game receives a commission on all wagers placed. Parimutuel wagering games are distinguishable from slot games or non-parimutuel wagering games where the players are playing against the "house" or establishment conducting the game. The gaming system, in one embodiment, includes a plurality of wager terminals coupled to a game server. The wager terminals are multi-function terminals which enable a patron to enter a wager, provide high quality video/audio play-back, and can issue payments for winners. The game server is a computer system configured to manage the entire game system. For example, the server maintains databases, controls and accounts for the transactions with the wagering terminals, controls the flow of data from a video server to the terminals, <u>collates pools from all sources and computes winnings</u>, and provides detailed statistics for the disbursement of funds.

"The gaming system also includes a video server interface for providing high speed delivery of <u>selected video clips from a historical database</u>, and a tote system interface which is coupled to a standard racetrack totalisator system to allow the multifunction wagering terminal to operate as a standard self-service racetrack wagering terminal. Other interfaces to other types of wagering systems, such as a lottery, could also be provided.

"Generally, and in operation, a player attempts to choose the winners of an unknown past event. Although the player does not know which event will be presented, some skill data may be shown on the video display, such as the relative past performance of competitors. After the player makes a selection of winners, the identity of the event is revealed, a video segment of the event is displayed, and the actual winners are presented. If the player correctly picked the winners, the player qualifies for an instant payoff determined in accordance with parimutuel methods. Winning multiple games in a session or selecting the maximum wager amount may qualify the player to win a larger payoff as well.

"As explained above, one aspect of the present invention is to enable parimutuel wagering to offer instant payoffs. No known gaming device provides such wagering with instant payoffs. In the paradigm of live parimutuel wagering, a number of players place bets on the outcome of a single event. The players then wait for the results of the event, and then the winning players share the profits from their combined pool of wagers. Pools such as the Pick-6 and Twin-Trifecta add the elements of multi-tiered payoffs and a progressively increasing carry-over pool created by withholding a portion of the profits."

As can be seen from the highlighted portions, Mir is constructing a system for wagering on events after the events have occurred, using the events as a template for betting events, even though the events have already occurred. This is important from at least two aspects. One, the system is wagering on past events. Second, it is impossible to enter a pool for the actual event after the event has occurred, because the pool is exhausted or at least diminished by payouts on the event. This second issue is absolutely critical, as the claims require that the system and method actually provide

"...a bet allocator in communication with the wagering processor for allocating each said bet amount amongst at least one of a plurality of parimutuel betting pools in accordance with the associated predicted outcome..."

As noted, this is impossible when wagering on a past event. Mir cannot allocate wagers among pools for past events and never asserts that wagers are distributed among pools. Rather, Mir "collates pools," using past pool payout rates as a basis for determining what appropriate payouts would be on those past events. The wagers are not allocated among pools, and cannot be allocated among betting pools for the absolute reason that it is impossible.

These distinctions are memorialized in claim 14 as follows:

"wagers being placed preceding the start of the future race events or games;" and

"a bet allocator in communication with the wagering processor for allocating each said bet amount amongst at least one of a plurality of parimutuel betting pools in accordance with the associated predicted outcome;"

As can be seen from these limitations in claim 14, and therefore in every claim in the application, the wagers are on **future events** and the wagers are allocated among a plurality of pari-mutuel pools. Each of these steps is different from what is taught by Mir. The rejection is in error and must be withdrawn.

Claim 20 similarly contains the limitations that are not taught by Mir, as shown by the <a href="https://doi.org/10.2016/j.je/nc/4.2016/j.je/

receiving wagers in a processor from wagerers using electronic communication means <u>on future wagering events</u>, each said wager including a predicted outcome of at least one of the future events and a bet amount associated with the predicted outcome of the <u>at least one future event</u>;

the processor allocating each said bet amount amongst at least one of a plurality of parimutuel betting pools in accordance with the wager associated with the predicted outcome of the future event"

As can again be seen, this second independent claim is not anticipated by Mir and cannot be anticipated by Mir for the reasons discussed with regard to claim 14.

## **CONCLUSION**

All rejections have been overcome by amendment or shown to be in error. All rejections should be withdrawn, and all claims should be allowed.

Examiner is invited to telephone the below-signed attorney at 952-832-9090 to discuss any questions which may remain with respect to the present application.

Respectfully submitted, ANDREW M. STRONACH By His Representatives,

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Date: 23 January 2006 By

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